

Office of Policy and Management
Annual Report to the Governor 2013 – 14

Benjamin Barnes, Secretary
Karen Buffkin, Deputy Secretary

Established: 1977

Statutory Authority: Sec. 4-65a

Central Office: 450 Capitol Avenue, Hartford, Conn. 06106

Average number of full-time employees: 112

Recurring operating expenses, 2013-14:

General Fund: \$241,421,480 (includes \$223,388,193 Grants-In-Aid)

Insurance Fund: \$383,789; Mashantucket Pequot & Mohegan Fund: \$61,670,907

Enterprise Fund: \$465,224; Private/Federal Funds: \$61,733,051; Capital Outlay: \$95,561,387

Agency Mission

The Office of Policy and Management (OPM) reports directly to the Governor and provides information and analysis that the Governor uses to formulate public policy goals for the state. OPM also assists state agencies and municipalities in implementing policy decisions on behalf of the people of Connecticut. OPM prepares the Governor's budget proposal and implements and monitors the execution of the budget as adopted by the General Assembly and signed by the Governor.

2013 – 14 Accomplishments

Following is a list of various accomplishments by OPM for FY 2014, divided by subject matter:

Office of the Secretary:

- Served as Treasurer and Finance Committee Chair for the Board of Access Health CT, the state's Health Insurance Marketplace under the Affordable Care Act.
- Served as Chair of the Integrated Eligibility Project Management Office, which is working with the Department of Social Services (DSS) and Access Health CT to implement new shared systems for income-based health programs, enabling a No Wrong Door approach for Connecticut's major public assistance and health care programs.
- Continued to serve as Treasurer of the Capital Region Development Authority, which is on pace to double the supply of downtown housing within the first few years since it was created by statute.
- Continued to serve as Chair of the Personal Care Attendant Workforce Council, which was established to study issues relating to the recruitment and retention of personal care attendants, develop a plan to improve the quality and availability of personal care attendants, and establish standards for wages and benefits for personal care attendants.
- Chaired the Labor Management and Transformation Committees and continued to work with agencies on achieving the goals of the agreement with the State Employee Bargaining Agent Coalition.
- Secretary or his designee served on 114 different Boards, Commissions, Councils, and Task Forces.

State Budget:

- Provided operational, analytic and management support to the Secretary and Governor in implementing the budget for fiscal year 2014, resulting in a year-end surplus and a sizeable deposit into the state's Budget Reserve Fund. This is the third consecutive year that such a deposit has been made.

- Produced the Governor's recommended budget adjustments for fiscal year 2015, and provided support to the Secretary and staff of the Governor's office during the 2014 legislative session. Assisted in negotiating and producing the final operating and capital budgets for 2015 as well as associated implementing legislation.
- Provided support and assistance to the Secretary and Governor in addressing the state budgetary and operational impacts of the federal government shutdown in October 2013. In addition, provided significant staff support for a major economic development project involving one of the state's largest employers.
- Completed the Generally Accepted Accounting Principles (GAAP) budgeting conversion by assisting in the sale of GAAP conversion bonds and implementing reporting changes designed to align budgetary reporting with estimated GAAP results.
- Continued to address operational efficiency and effectiveness through a variety of efforts: Automated processes related to agency notification of grant applications and receipt of grant awards; began the process of updating software and approach for developing the budget for the FY 2016-2017 biennium; participated, with the Department of Administrative Services (DAS) in a Lean event to redesign the process of reviewing and rendering decisions about agency requests to establish or modify job classifications.

Health and Human Services:

- Chaired and staffed the Interagency Council on Affordable Housing. Completed an assessment of the housing needs of low income individuals and families, identified barriers to effective housing delivery systems, and proposed strategies and recommendations to address the identified barriers.
- Continued to coordinate the state's interagency efforts to develop permanent supportive housing as a successful and cost-effective solution to homelessness. OPM worked with

Governor Malloy to develop and secure legislative adoption of his FY 15 housing initiatives including an annualized \$2.2 million for 110 new scattered site supportive housing Rental Assistance Program (RAP) certificates and related wrap-around supportive services.

- Chaired and staffed the Tobacco and Health Trust Fund's activities in FY14, including meetings to develop recommendations to disburse \$3 million for anti-tobacco efforts in Connecticut. Presented and defended the board's proposal to the legislative committees of cognizance and secured legislative approval. Initiatives funded in FY14 included QuitLine, cessation programming for incarcerated individuals, enhanced enforcement activities, and prevention programming through Boys and Girls Clubs, Regional Action Councils, and Teen Kids News. Division staff are administering the contract with Teen Kids News.
- Coordinated the development and legislative approval of eight federal block grant allocation plans plus one special block grant for disaster relief from Superstorm Sandy. In total, these plans provided over \$200 million in federal funding for health, human services, energy, housing and economic development projects in Connecticut.
- Drafted and issued a fourth round of Request for Applications (RFA) for the Nonprofit Collaboration Incentive Grant Program in December 2013, evaluated 22 submitted responses and selected vendors to receive grant funds in April 2014, secured necessary capital funds through the bond commission in July 2014, and are currently issuing the grants and administering these bond-funded programs. A total of \$2.5 million was awarded to six collaborations of non-profit providers for technology enhancements, transportation, and facility improvements to increase efficiency and lay the groundwork to integrate business functions.
- Continued active involvement in various federal and state health reform initiatives, particularly the State Innovation Model (SIM) grant. Under the leadership of Lieutenant Governor Nancy Wyman, Connecticut received a planning grant from the federal Center for Medicare and Medicaid Innovation (CMMI) in March 2013 to develop a State

Healthcare Innovation Plan to design a multi-payer transformation of the state's health care system. The state's plan, submitted in December 2013, lays out strategies for achieving three important goals for everyone in Connecticut: (1) better health while eliminating health disparities; (2) improved health care quality and experience; and (3) lower health care costs. In order to implement the plan, Connecticut applied to CMMI in mid-July 2014 for a 4-year Model Test grant. OPM coordinated the development of the \$63.7 million budget for the grant. OPM is participating on the steering committee of this effort as well as the Governor's Health Care Cabinet.

- Continued to implement the Connecticut Partnership for Long-Term Care, the state's public/private partnership with private insurers which educates Connecticut residents about long-term care planning and provides an innovative financing option. This past year, significant numbers of Connecticut residents applied for and purchased Partnership-approved policies with the program surpassing the 58,000 mark for policies purchased. The Partnership estimates it saved Medicaid over \$19 million in long-term care expenses since the Partnership was implemented in 1992.
- Continued to coordinate a multi-agency effort to address nursing home rebalancing by making assisted living services available in state-funded congregate housing sites, federally-funded HUD housing facilities, private pay assisted living facilities and subsidized assisted living communities in Glastonbury, Hartford, Middletown, and Seymour as part of the Assisted Living Demonstration project. Over 680 residents were actively enrolled in these programs as of June 30, 2014 and over 3,100 residents have been served to date.

Finance:

- Established and implemented the LeanCT program, which is responsible for expanding, leading and coordinating the statewide process improvement initiative mandated by the Governor. The program's staff member chairs and works in collaboration with the Statewide Process Improvement Steering Committee, a group of fifteen state agency

members who provide guidance and oversight for projects statewide that are making State agency business processes and systems more timely, effective, efficient and responsive to customers.

- Continued the Information Technology Capital Investment Program, involving capital budget appropriations of \$150 million from FY13-FY15. The fund is used to modernize the State's information technology infrastructure and making the state more user-friendly, efficient and transparent. Fourteen (14) new projects were funded in FY14 bringing the total to 27 active projects. Examples of new investments made are: 1) DAS Enterprise Unified Communications project which will lower costs of telephone services to state agencies while providing modern collaboration services to state workers; 2) Department of Emergency Services and Public Protection (DESPP) Special Licensing and Weapons Registration System ensuring the State can effectively manage the increased volume (25%) of permits for firearm sales; and 3) Board of Regents, CT Education Academy which creates an anywhere, anytime academic training and assessment system for the state workforce.
- Coordinated, in cooperation with DAS and the Capitol Region Development Authority, the program and space planning, renovation and occupancy of the newly acquired 55 Farmington Avenue in Hartford. The renovations have been completed and the building now houses approximately 1,269 State employees. Also assisting in coordinating the program and space planning for the renovation of 450 Columbus Boulevard in Hartford, which will house approximately 2,000 employees. Project completion and occupancy is scheduled for summer or fall of 2016.
- Implemented STARS (State Analytical Reporting System) which is a business intelligence tool within Core-CT and is designed to present data in report format and interactive dashboards. The system provides users with trending and forecasting capabilities that enhances transparency and accountability in State budgeting and spending. The goal is for STARS to become the central repository of human resource and financial information.

- With assistance from the Division of Administration, the Office of Finance developed and implemented procedures to administer a new grant program for nonprofits. Section 13 of Public Act 13-239 authorized \$20,000,000 in funding for alterations, renovations, improvements, additions and new construction, including health, safety, compliance with the Americans with Disabilities Act and energy conservation improvements, information technology systems, technology for independence and purchase of vehicles. The Office of Finance awarded \$20 million, involving 146 applications and 81 nonprofit community providers, under the Nonprofit Grant Program (NGP). These awards were made following the receipt and evaluation of over 550 applications totaling over \$100 million.

Criminal Justice:

- Coordinated and managed \$41 million in federal funding for fifteen major state agency projects and more than two hundred local government projects. The projects improved the infrastructure and operation of the criminal justice system and supported more efficient use of state funds. Developed funding sources for the Governor's priority initiatives including violent crime prevention and intervention, gun crime enforcement, and information technology for the criminal justice system.
- Assisted executive branch agencies, Judicial Branch and local governments with ensuring compliance with Violent Crime Control Act, Civil Rights Act, Violence Against Women Act and federal mandates pertaining to criminal justice system policies and practices. Assisted local governments with preparing for compliance with the Racial Profiling Prohibition Act.
- Assisted local governments, the Office of Chief State's Attorney, State Police and Connecticut Police Chiefs Association in implementing Public Act 11-174, *An Act Concerning the Electronic Recording of Interrogations*. The initiative upgraded eighty-nine local police departments' technology systems and provided local governments with funding for public safety improvements at the local level.

- Collaborated with the U.S. Attorney's Office to design and implement *Project Longevity*, a priority policy initiative of the Governor's Office that addresses the cycle of violent crime in three Connecticut cities with the highest rates of gun violence. A dedicated state-funded account was established to support the project in coordination with Judicial Branch funds.
- Chaired and staffed interagency initiatives to improve the criminal justice system response to violent crime including gun violence, drug crime, domestic violence and sexual assault crime. Coordinated with state and local agencies and providers to develop specialized law enforcement units and community-based services to reduce the incidence of violent crime. Assisted local governments in developing and sustaining regional efforts to enforce drug and firearms laws.
- Served as state government's central point of coordination on policy issues to address major crime areas of domestic violence and sexual assault which represents the most complex and costly components of the criminal justice system. Developed the state's policy priorities and implementation plans to reduce domestic violent homicides, monitor sex offenders, increase access to services for underserved populations, reduce high-risk cases and improve criminal justice system services for victims.

Intergovernmental Policy:

- Published the 2008-2012 edition of Municipal Fiscal Indicators, an on-line publication that presents a comprehensive, five-year listing of key financial and economic data for each municipality in Connecticut. Data is compiled from audited financial reports, as well as from state and federal agencies, providing local officials and the public with a tool for analyzing their municipality's financial condition and for conducting comparative analyses with other municipalities. Some of the benchmarking and trend data included in Municipal Fiscal Indicators for each municipality are:
 - Revenues, expenditures, fund balance and debt obligations;

- Property taxes, state and federal revenues, mill rates, grand list data;
 - Pension and healthcare contributions, debt service costs, education expenditures per pupil;
 - Per capita income, median household income, bond ratings, unemployment rates.
- Successfully implemented Executive Order No. 39, Governor Malloy's Open Data Initiative. Through the Chief Data Officer, the Connecticut Open Data Portal was launched on March 31, 2014 and currently contains over 200 individual datasets, 1.6 million rows of data, from nearly every state agency. In addition, the Chief Data Officer established and held the first meeting of the Open Data Advisory panel, held several meetings with Agency Data Officers, and conducted numerous presentations to external stakeholder groups.
- Conducted the first comprehensive analysis of the boundaries of planning regions since they were designated in 1959. Connecticut's planning regions provide a geographic framework within which municipalities can jointly address common interests, and coordinate such interests with state plans and programs. OPM was able to accommodate all municipal preferences in completing its formal re-designation of planning regions, which resulted in the number of regions being reduced from fifteen to nine. Staff provided guidance on the formation of regional councils of governments (RCOGs) and the dissolution of predecessor organizations, and also provided periodic status updates to the legislature's M.O.R.E. Commission.
- Administered the first round of Nutmeg Network grants, which provided nearly \$1.8 million to fifty-four municipalities and four RCOGs to cover the capital cost of connecting Town Halls or other central administrative facilities to the state's fiber optic network for reliable access to high-speed internet service. The grants are intended to expand the number of users on the network beyond local schools and libraries, so that greater efficiencies and cost savings can be achieved.

- Other activities of the Intergovernmental Policy Division include:
- Processed over \$20 million in payments to approximately 41,000 elderly or totally disabled residents for partial refunds of their rent and utility bills. (Note: OPM continued to administer the Renters Rebate Program throughout FY 14, including the nine-month period before Public Act 14-217 formally transferred the program back to OPM from the Department of Housing, effective April 1, 2014);
 - Managed approximately \$346 million in formula grant programs that benefit municipalities, including Local Capital Improvement Program (LoCIP), Payments in Lieu of Tax (PILOT) programs for State Owned Properties and Private Tax Exempt Properties - College & Hospitals, and the Mashantucket Pequot and Mohegan Fund Grant;
 - Managed approximately \$33 million in property tax relief programs that benefit individuals and companies, including Manufacturers Located in Distressed Municipalities, Elderly/Totally Disabled Persons, Elderly and Disabled Freeze, Homeowners/Circuit Breaker, and Additional Property Tax Relief for Veterans; and
 - Developed the FY 2014 Equalized Net Grand List (ENGL), an estimate of the value of each town's total taxable property base, which is provided to the Department of Education for calculating the Education Cost Sharing (ECS) Grant and other education related grants.

Legislative Affairs:

- Provided a broad range of support for the Governor's legislative proposals, including initial policy development, working with the General Assembly to advance the Governor's bills, and helping to implement new laws as passed.
- Collaborated with the General Assembly and the Governor's office to secure passage of key bills supporting the Governor's agenda. Most notably this included passage of a midterm budget adjustments, including amendments to the state general and revenue bond package.

- Worked closely with state agencies on their legislative proposals. With the Governor's office, the Legislative Affairs staff reviewed each state agency's package of legislative proposals, met with agency heads, reviewed and approved public hearing testimony, and helped manage agency legislative activities. Ensured agency actions were coordinated with the policies of OPM and the Governor.
- Monitored, worked with and advocated before several General Assembly committees, chiefly the Appropriations Committee (and its subcommittees), the Finance, Revenue and Bonding Committee (and its subcommittees), and the committees on Planning and Development, Insurance and Real Estate, Banks, and Judiciary. Legislative Affairs staff also provided support to the Governor's office in other areas as was needed.
- Worked closely with Governor's office to review all legislation proposed by the General Assembly and inform legislative leaders of our positions.
- Provided information to media outlets, legislators, General Assembly staff and the public to explain and support the Governor's proposed budget, the enacted budget, and the impact of legislative proposals. Responded to daily requests for information about state government and the impact of potential federal actions. Worked with agencies, for example Department of Economic and Community Development (DECD) and the Department of Transportation (DOT), on responses to media inquiries. Worked closely with the Governor's communications office to ensure a consistent and effective message.
- Gathered and helped evaluate requests by legislators and others for state bond commission approval. Helped evaluate several large applications for development assistance, working with the Secretary to oversee state response and approval of a large urban project.

- Helped implement first-ever use of federal New Market Tax Credits for a non-profit social services agency by coordinating the work of DSS, DECD, the Attorney General's office and the Treasurer's office.
- Evaluated and made recommendations concerning applications for assistance from the Small Town Economic Assistance Program (STEAP). Continued to offer small towns the option of having OPM administer their STEAP award utilizing an expedited reimbursement plan through a single point of contact.
- Worked with the Department of Housing and the Division of Emergency Management and Homeland Security to coordinate state recovery assistance for homeowners affected by Superstorm Sandy.
- Worked with DOT and DECD to coordinate implementation of state policy on "transit-oriented development."
- Worked with various state agencies to address problems faced by municipal-government applicants for assistance, permits or funding.
- Worked with the Intergovernmental Policy division to help facilitate consolidation of regional planning organizations, passage of landmark state water plan legislation, and execution of the first round of Nutmeg Network grants for municipalities.

Labor Relations:

- Completed contract negotiations for a successor agreement with the NP-8 Correctional Supervisors unit.
- Negotiated a first contract with the Personal Care attendants, as well as with the Day Care Providers.

- Successfully completed negotiations on revised breakpoint for the State Employees Retirement System.
- Provided training sessions for human resource professionals on legal and employment issues for agencies and statewide.

Legal Office:

- Played a key role in the State's acquisition of the Morgan Street Garage in Hartford and the 99 year land-lease for the property upon which the structure is located. The Morgan Street Garage was acquired in support of the State's acquisition of the office building located at 450 Columbus Boulevard in Hartford.
- Entered into a three-year contract with 21CT, Inc. along with DSS to implement a program to detect fraud, waste, and abuse in the DSS Medical Assistance Program. Connecticut spends billions of dollars for health care services through Medicaid, and the program's caseload is expected to grow under the federal Affordable Care Act. By avoiding unnecessary costs and enhancing recovery efforts, the State can more appropriately allocate taxpayer funds to ensure that proper services are provided to appropriate residents in the most efficient and effective manner possible. 21CT's innovative, cutting edge and unique approach was determined to provide the State the most powerful investigative solution to attack this problem.
- Continued its role in the development of the Adriaen's Landing, a mixed-use economic development project in Hartford that includes the Connecticut Convention Center, Connecticut Science Center, Marriott Hartford Downtown and related parking garages. Oversaw the development of the Front Street entertainment/residential district within Adriaen's Landing, and was instrumental in assisting the University of Connecticut proceed with Phase III of the project, which consists of a new campus for the Hartford branch on a site anchored by the former Hartford Times building. Final agreements to authorize the move were signed on June 3, 2014, and construction will start in late 2015

or early 2016. About 2,300 commuting students and 250 employees will be based at UConn Hartford, where classes are anticipated to begin in fall 2017.

- Helped develop contracts, MOUs and processes to implement new law allowing use of federal New Market Tax Credits. Worked with staff at DSS and DECD to coordinate effort to obtain New Market Tax Credits for a large social services agency in New Haven.

Information Reported as Required by State Statute

- OPM is committed to complying with statutory requirements related to affirmative action and equal opportunity in employment and in the services OPM provides to the State of Connecticut. OPM's Affirmative Action Plan for the period ending June 30, 2013 was approved by the Commission on Human Rights and Opportunities at its January 14, 2014 meeting.
- OPM's Affirmative Action Plan for the period July 1, 2013 through June 30, 2015 is due to the Commission on Human Rights and Opportunities on October 30, 2015. As of June 30, 2014, OPM achieved 60% of its short-term hiring goals, 17% of its long-term hiring goals, and 100% of its promotional goals. In addition, OPM significantly exceeded Small/Minority Business Enterprise and Minority Business Enterprise goals for fiscal year 2013-2014. OPM new employees also attended diversity, sexual harassment prevention, and workplace violence prevention training.
- Ten (10) students participated in OPM's Internship program, representing eight (8) different colleges and universities.

For further information on OPM activities, visit the OPM website at <http://www.ct.gov/opm>.